

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

June 28, 1993

RECEIVED

JUN 30 1993

**DIVISION OF
OIL GAS & MINING**

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

Re: Bar-X Unit No. 20
Application for Permit to Drill
Grand County, Utah

Dear Ron:

Enclosed in duplicate is an APD for the referenced well. We plan to drill this well in August when we have a rig in the area to drill our Federal No. 9-10 well.

If any further information is needed please give me or Joe Dyk a call.

Very truly yours,

Lone Mountain Production Company


James G. Routson
President

Enclosures

xc: Joe Dyk

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Lone Mountain Production Company

3. ADDRESS OF OPERATOR

P.O. Box 3394, Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At _____
1586 ft FNL, 813 ft FEL

At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

17 miles Northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

Lse line: 3206'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

2356'

16. NO. OF ACRES IN LEASE

1280 Acres

17. NO. OF ACRES ASSIGNED
TO THIS WELL

N/A

19. PROPOSED DEPTH

3500' (Morrison)

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, BT, GR, etc.)

5319' GR, 5330' KB

22. APPROX. DATE WORK SHALL START*

July 15, 1993

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	17#, H40, STC	300'	140 sx 'G'+ 3% CaCl
6-1/4"	4-1/2"	10.5#, J55, STC	3500'	175 sx 10-0 RFC

See Attachments

RECEIVED

JUN 30 1993

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

[Signature]

TITLE

Petroleum Engineer

DATE

June 7, 1993

(This space for Federal or State office use)

PERMIT NO.

43-019-31337

APPROVAL DATE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE: 7-12-92

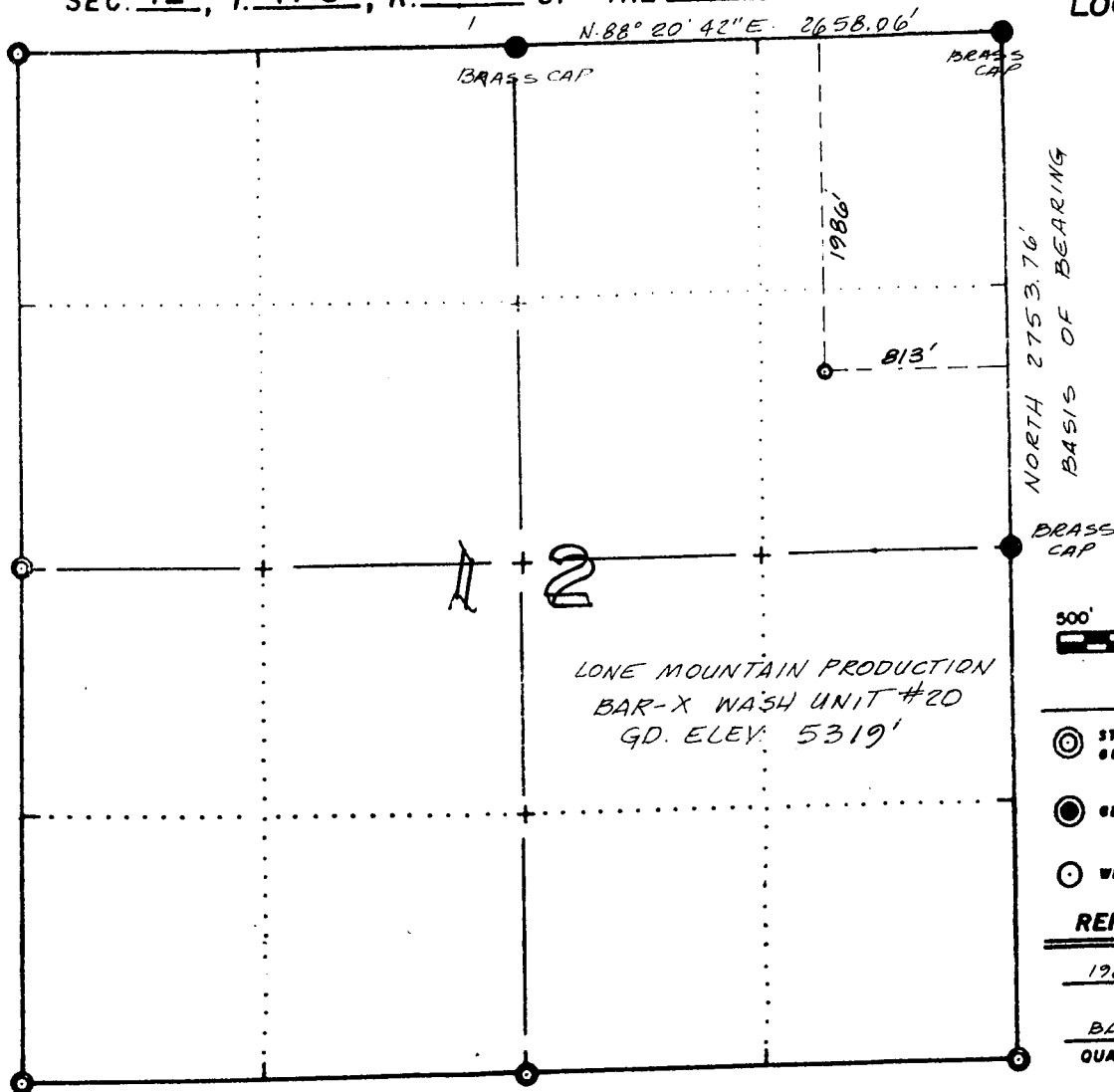
BY: *[Signature]*

WELL SPACING 649-2-3

*See Instructions On Reverse Side

SEC. 12, T. 17 S., R. 25 E. OF THE S.L.M.

PLAT # 1
LOCATION PLAT



THIS WELL LOCATION PLAT WAS PREPARED FOR: LONE MOUNTAIN PRODUCTION CO.
TO LOCATE THE BAR-X WASH UNIT # 20, 1714' F.N. L. &
940' F.E. L. IN THE SE 1/4 NE 1/4, OF SECTION 12, T. 17 S., R. 25 E.
OF THE S.L.M. GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

I, Larry D. Becker: a Registered Land Surveyor in
The State Of UTAH Do Hereby Certify That This
Survey Was Made Under My Direct Supervision, and
That This Plat Represents Said Survey.

Larry D. Becker

SURVEYED	4/93	5/93
DRAWN	4/93	5/93
CHECKED	4/93	5/93

ENERGY
SURVEYS
CORPORATION

381 PIKES PEAK DRIVE
GRAND JUNCTION, CO 81503
(303) 245-7821

SCALE: 1" = 1000'

JOB NO.

SHEET OF

Application for Permit to Drill
Bar-X Unit No. 20
SENE Section 12-T17S-R25E
Grand County, Utah

1. Surface formation is the Mancos.
2. Anticipated Geologic markers are: Mancos at surface, Dakota Silt 2908', Dakota 3000', Morrison 3105'.
3. Gas is anticipated in the Dakota and Morrison. No oil or other minerals are anticipated. No water sands are expected.
4. Proposed casing program: See item no. 23 above.
5. Pressure control equipment: See Attached well control plan and schematic of contractor's BOP stack. BOP's will be tested before drilling out from under surface casing and checked daily.
6. Air or mist drilling will be used to drill the surface hole unless water is encountered. If water is encountered, chemical-gel mud will be used. The well will be air drilled from under surface casing to total depth.
7. Auxiliary equipment: See Well Control Plan.
8. The logging program will consist of a DIL log from total depth to base of surface casing and GR-FDC-CNL logs from total depth to above the Frontier. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is July 15, 1993. Completion operations should commence within 30 days of rig release.
11. Survey plats are attached.
12. The gas is not dedicated at this time.
13. Lone Mountain Production Company's Statewide Bond Number is: UT0719
14. The completion program will be designed after the logs have been evaluated.

WELL CONTROL PLAN

1. Surface casing: 7" O.D., 20.0# or 23.0#, used, STC (to meet new pipe specifications for bodywall thickness on 7 inch, 17.0 lb/ft, H-40 casing) set at 300' and cemented back to surface with 140 sx Standard cement + 3% CaCl₂ (yield=1.15 ft³/sk; compressive strength= 650 psi in 6 hours).
2. Casinghead Flange: 7" x 4-1/2" 600 series casinghead with two 2", 2000psi L.P. outlets.
3. Blowout Preventer: The rig is equipped with a 10" 3000 psi W.P. double gate hydraulic Shaffer BOP (or equivalent) with drill pipe rams and blind rams to meet requirements for a 2000 psi stack in Onshore Order No. 2. All fill, kill and choke lines will be a minimum of 2" 2000 psi W.P. A Grant rotating head will be used while air and mist drilling. A new rubber will be installed before drilling through the Dakota. BOP's will be worked daily. Blind rams will be checked during trips. BOP's will be tested to 2000 psi but not more than 70% of casing burst pressure (1617 psig) prior to drilling the shoe joint on intermediate casing.
4. Auxiliary Equipment: (a) Drill pipe floats will be allowed at contractor's discretion. (b) Visual monitoring of air returns will be maintained. (c) Upper kelly cock will be used. (d) Stabbing valve will be kept on the floor.
5. Anticipated bottom hole pressure is less than 800 psi at 3500' or 0.23 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

LONE MOUNTAIN PRODUCTION COMPANY

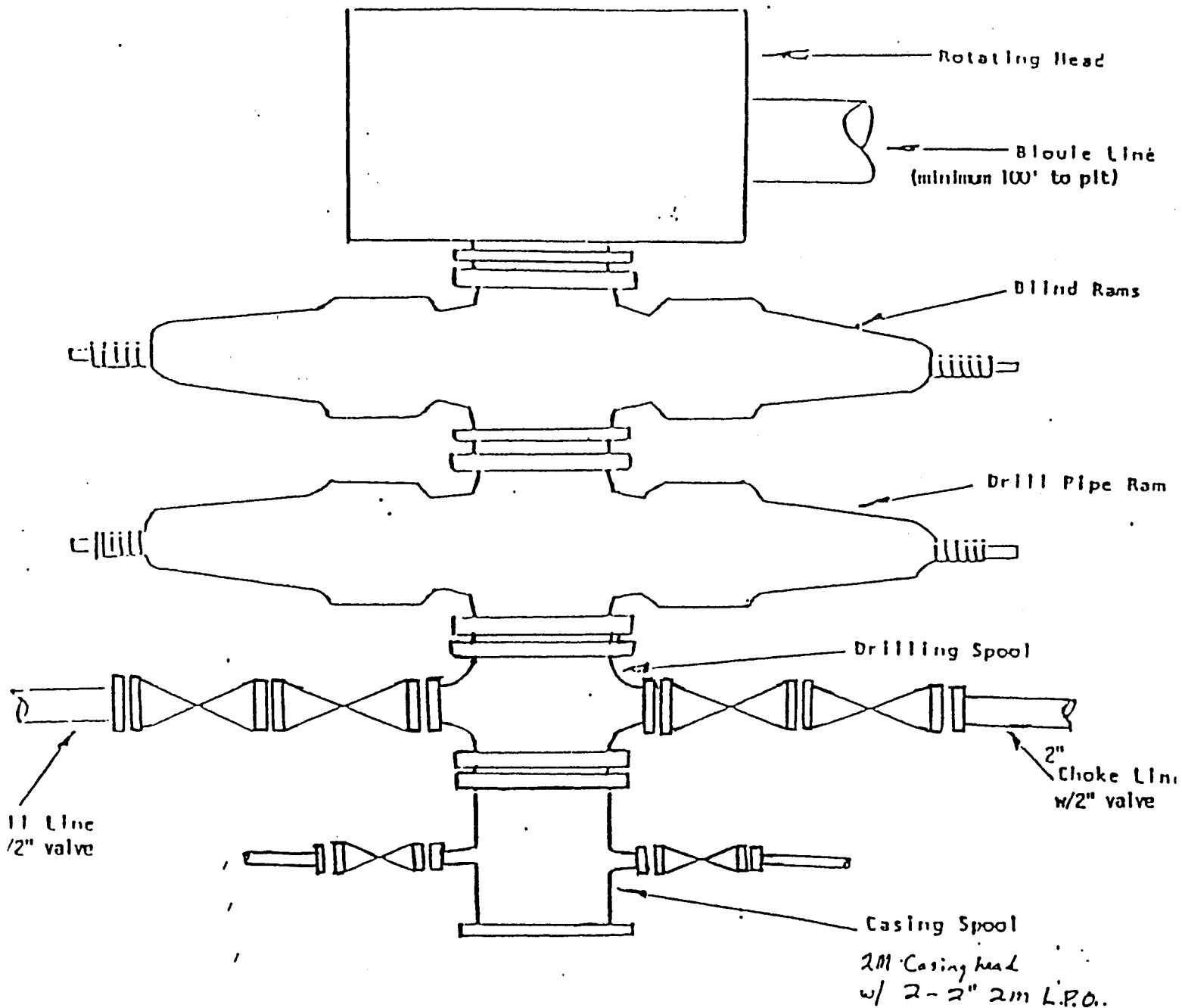
By: 

J. V. Dyk
Petroleum Engineer

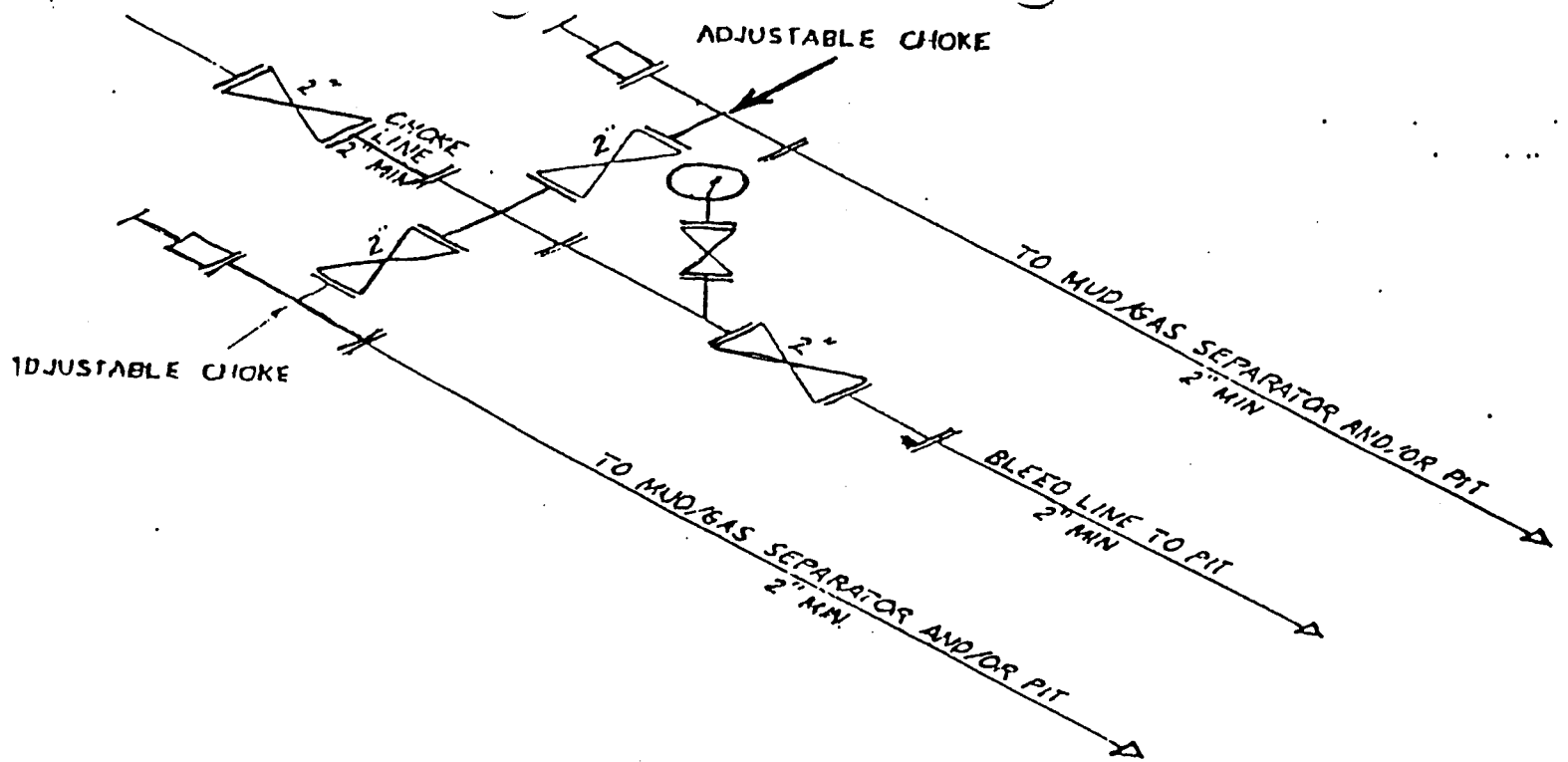
SCHEMATIC OF BOP STACK

Air drilled wells using 900 Series wellhead equipment to meet 2000 psi stack requirement.

Interval from 300' to total depth.



x



2M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

©SURFACE USE PLAN

Lone Mountain Production Company
Bar-X Unit No. 20
SENE Section 12-T17S-R25E
Grand County, Utah

1. EXHISTING ROADS

See Maps #1 and #2 and Plat #1. This proposed well is located approximately 17 miles northwest of Mack, Colorado. It is reached by going west on Old Highway 6&50 8.8 miles to 2 Road. Turn right and go 4.2 miles to the State Line Fence Road. Turn right on State Line Fence Road and go 3.3 miles north. Turn left and go 2.1 miles to location turnoff. Turn right and go 0.5 miles north to location.

2. ACCESS ROADS TO BE CONSTRUCTED

The proposed 0.5 miles of access road will be constructed with an 18 foot travel width. All of the proposed access road is within the Unit boundary. See Map #1 and Plat #2.

The topsoil will be windrowed on the east side of the road.

3. LOCATION OF EXISTING WELLS

6 producing wells and 1 dryhole are within one mile radius. See Map #3.

4. LOCATION OF PRODUCTION FACILITIES

See Plat #5. Every thing will be painted dark green.

5. LOCATION AND TYPE OF WATER SUPPLY

The source of water for this well is West Salt Creek. The pickup point is on old highway 6 & 50 out 2.5 miles west of Mack, Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials will be used other than native materials. Soil from cuts will be used in fills. No outside material will be brought in.

7. METHODS FOR HANDLING WASTE MATERIAL

Cuttings will be buried in the reserve pit at cleanup. Garbage and other waste material will be contained in a trash cage. This cage will be dumped at an approved sanitary landfill. Human waste will be contained in chemically treated sanitary holes.

Drilling fluids will be contained in the reserve pit and left to evaporate. Any fluids produced during testing operations will be collected in a test tank. If a test tank is not available, the fluids will be contained in the reserve pit. Any spills of oil, gas, saltwater, or noxious fluid will be cleaned up and removed.

If the well is productive, produced water will be disposed of on site for 30 days only or 90 days with the permission of the State Petroleum Engineer. After that time application will be made for approval of permanent disposal method in compliance with the rules and regulations of the State of Utah.

8. ANCILLARY FACILITIES

A 3" surface pipeline will be layed from the Bar-X Unit No. 20 well southeast to the Bar-X Unit No. 13 well (approx. 2500'). An archeology study will be performed prior to laying this pipeline.

9. WELLSITE LAYOUT

See Plat #2 - Pit and Pad Layout
See Plat #3 - Cross Sections of Pit and Pad
See Plat #4 - Rig Layout

The location will be constructed large enough to accomodate the drilling rig and associated equipment with allowance made for future completion and production equipment.

Topsoil will be stripped to a depth of 6 - 8 inches and stockpiled on the west and south edges of the location. No topsoil stripping will be done when soils are moisture saturated to a depth of 3 inches, or frozen below the stripping depth.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. Fencing will be four strands of barb wire or 48 inch woven wire with one strand of barb wire above the woven wire. All corners will be braced. The fence construction will be on cut or undisturbed surface. The backslope of the location will not exceed 1/2:1.

All construction activities will be confined to the minimum area necessary. The exterior boundaries of the construction area will be clearly flagged prior to any surface disturbing activities or vegetation removal.

Lone Mountain Production Company will clear all brush prior to construction. Brush will be stock piled on the south edge of the location and will be kept separate from the soil stock piles. The brush will be used for mulch after the disturbed area has been seeded.

10. PLANS FOR RECLAMATION OF THE SURFACE

A biodegradeable mulch may be required if soil erosion or vegetation establishment is determined to be a problem by the authorized officer on the access or location reclamation.

All disturbed areas will be seeded with the approved seed mixture. Application rates are for pure, live seed (PLS). Seed tags will be submitted to the area manager within 30 days of seeding.

Lone Mountain will prepare seedbed by contour cultivating 4 - 6 inches deep and drilling seed 1/2 to 1 inch deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and covered 1/2 to 1 inch deep with a harrow or drag bar.

Seeding will be completed after September 1 and prior to October 1 of the fall of 1993, if feasible, but not later than the fall of 1994.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accomodate year-round traffic. Lone Mountain will reshape areas unnecessary to operation, rip or disk on the contour, and seed all disturbed areas outside the work area according to the above seed mixture. The top soil will be saved for use during final reclamation unless the site can be recontoured to blend with the natural topography as required for final abandonment. Perennial vegetation will be established. Additional work will be required in case of seeding failures. All permanent facilities placed on the location will be painted dark green to blend with the natural environment.

If the well is abandoned/dryhole:

Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, fill material will be pushed into cuts and up over the backslope. No depressions will be left that could trap water or form ponds. Topsoil will be distributed evenly over the location and seeding according to the above seed mixture. The access road and location will be ripped or disked prior to seeding.

The area is considered to be satisfactorily reclaimed when:

- A) Soil erosion resulting from the operation has been stabilized.
- B) A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least as desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

12. OTHER INFORMATION

Lone Mountain will contact the Grand Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and well pad.

Lone Mountain will immediately bring to the attention of the Grand Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the Area Manager. Notice to proceed will be based upon evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the Area Manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the Area Manager determines that data recovery and/or salvage excavations are necessary, Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Grand Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

James G. Routson
Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103
Office Phone: 406-245-5077
Home Phone: 406-245-8797

Joe Dyk
Lone Mountain Production Company
1360 Highway 6 & 50
Loma, Colorado 81524
Office Phone: 303-858-7546
Home Phone: 303-858-0536
Mobile Phone: 303-244-6238

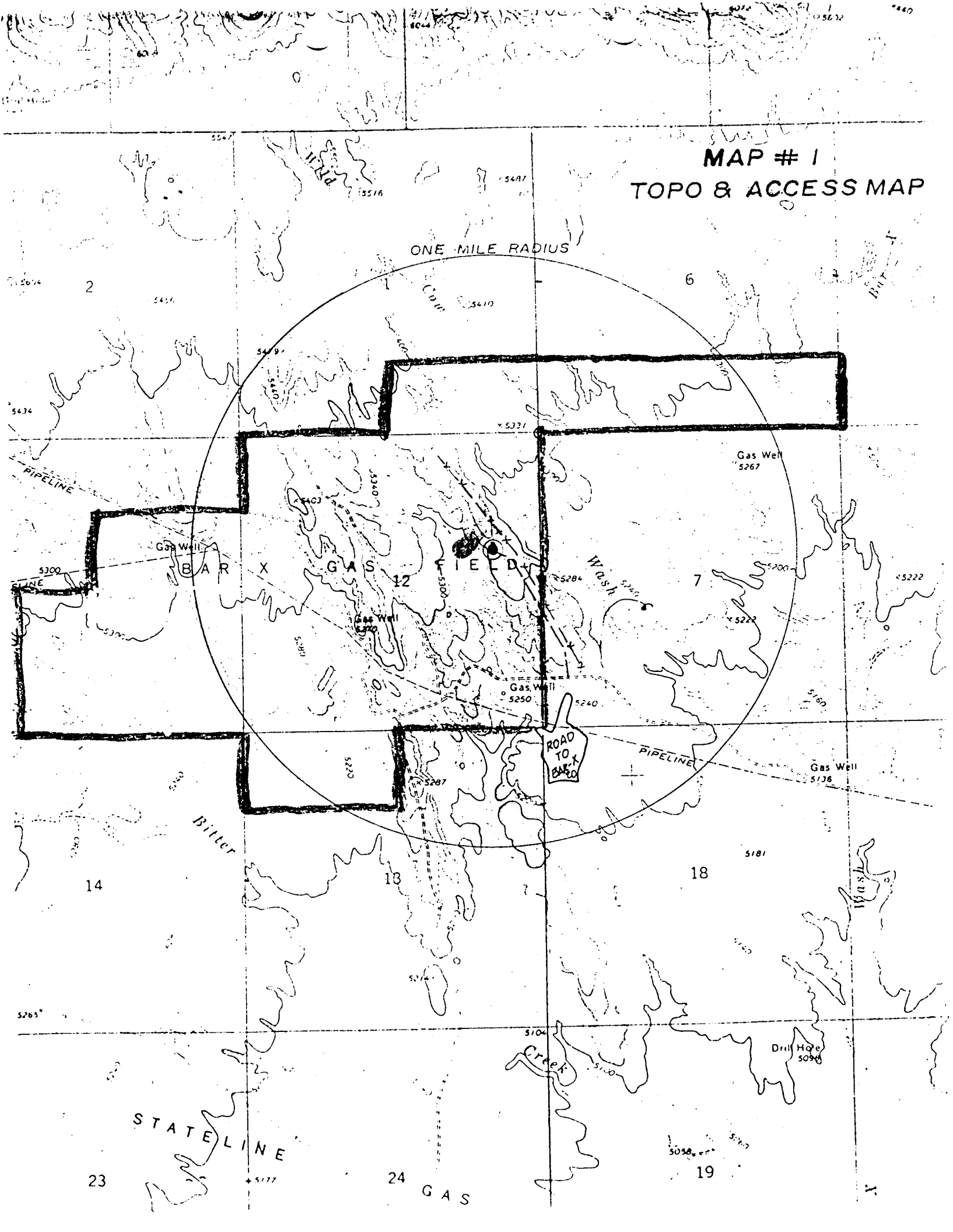
I hereby certify that I, or persons under my supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lone Mountain Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

6/7/93

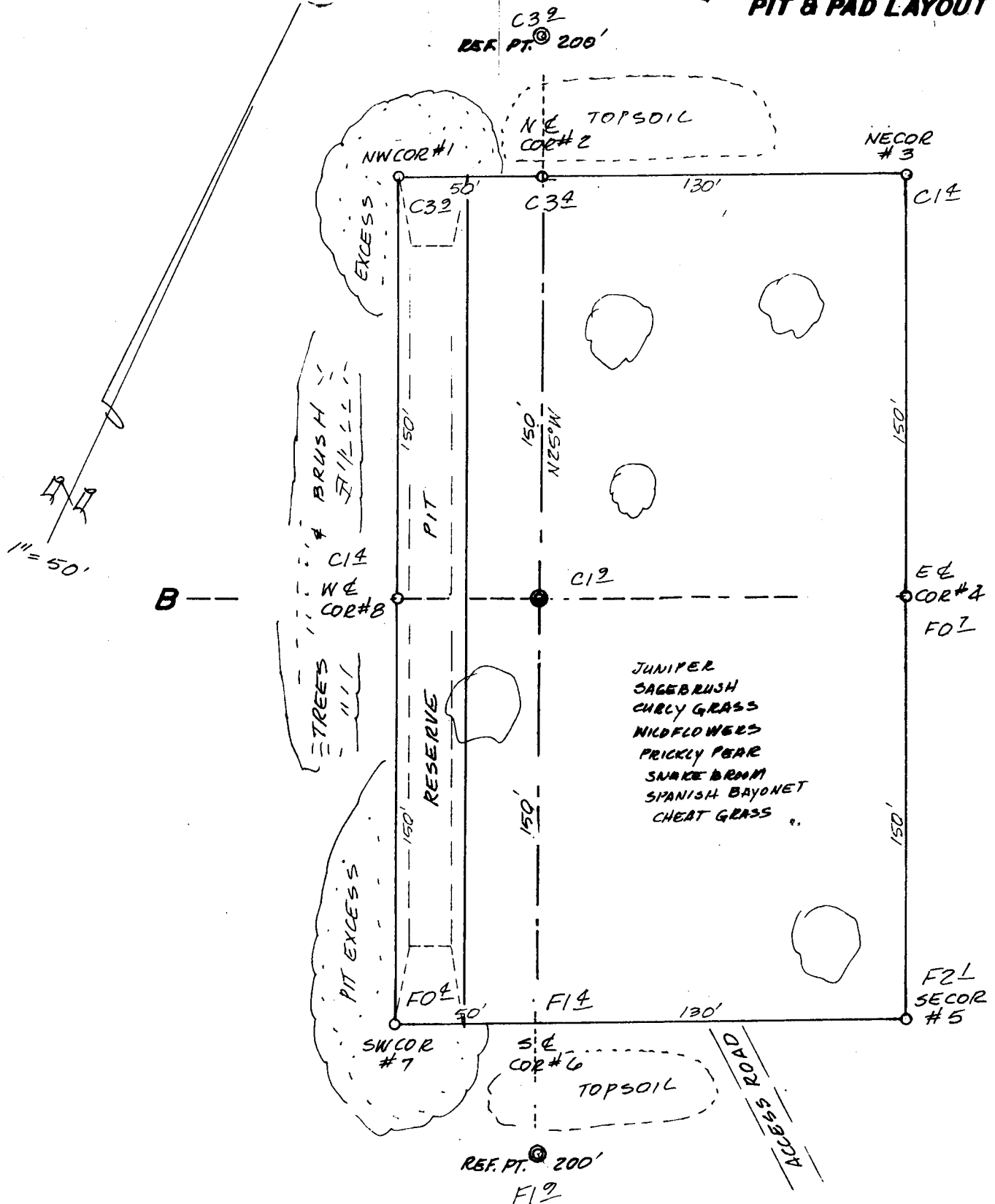
Date

Joe Dyk

MAP # 1
TOPO & ACCESS MAP



PLAT NO. 2
PIT & PAD LAYOUT



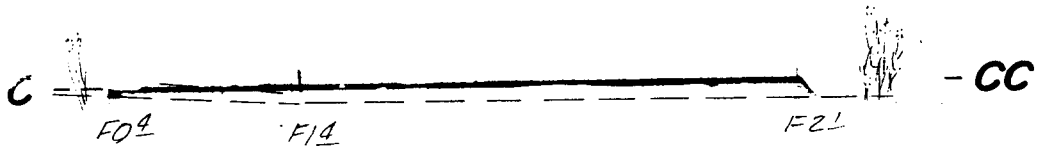
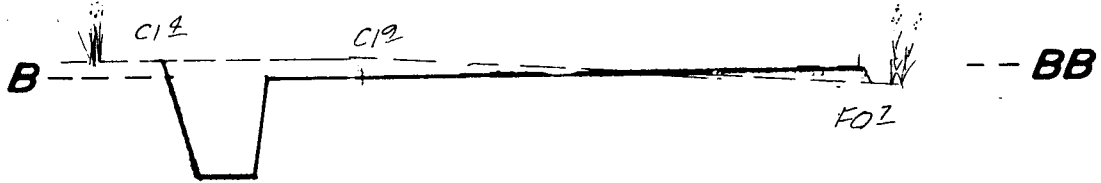
ESTIMATED DIRT QUANTITIES

ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD	1800	950	900	
PIT	1540			
TOTALS	3340		900	1490

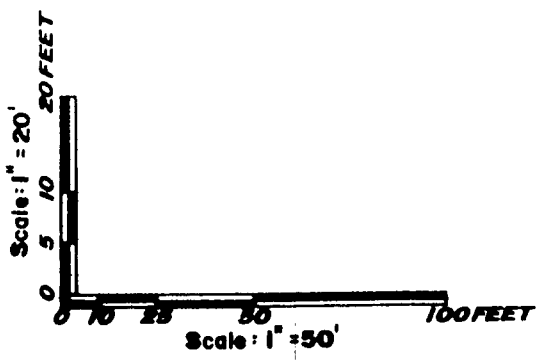
ENERGY SURVEYS & ENGINEERING
GRAND JUNCTION, COLORADO 303-248-7221

BAR-X WASH UNIT # 20
LONE MOUNTAIN PRODUCTION

PLAT NO. 3
CROSS SECTIONS OF PIT & PAD

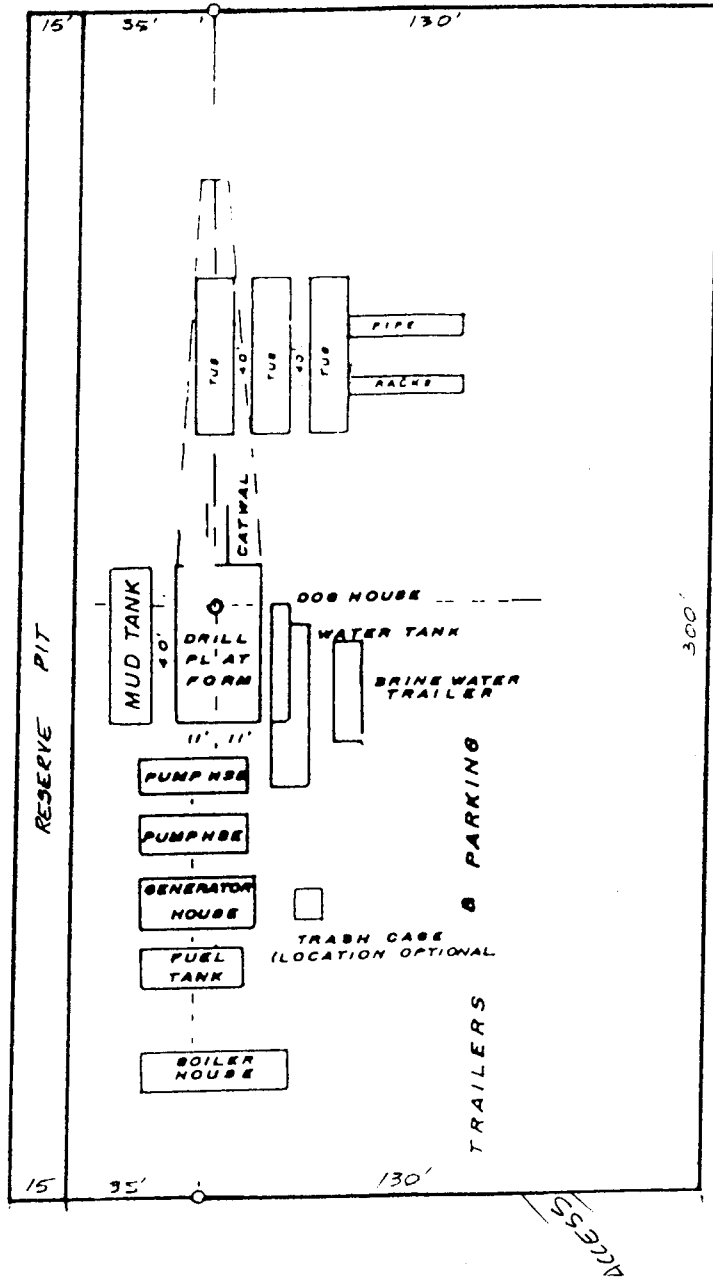
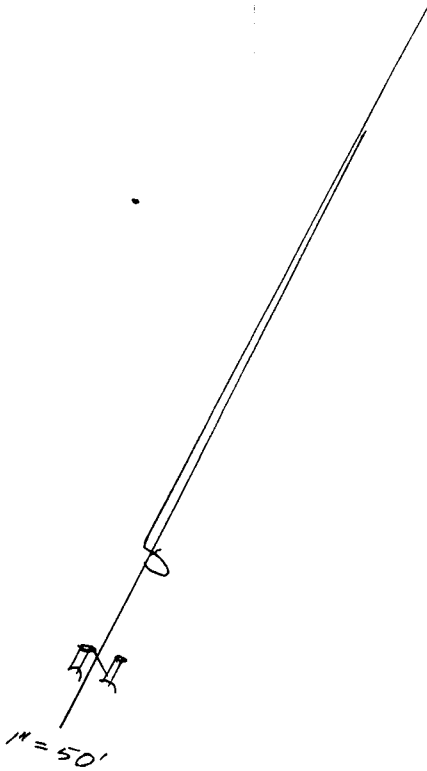


BAR-X WASH UNIT # 20

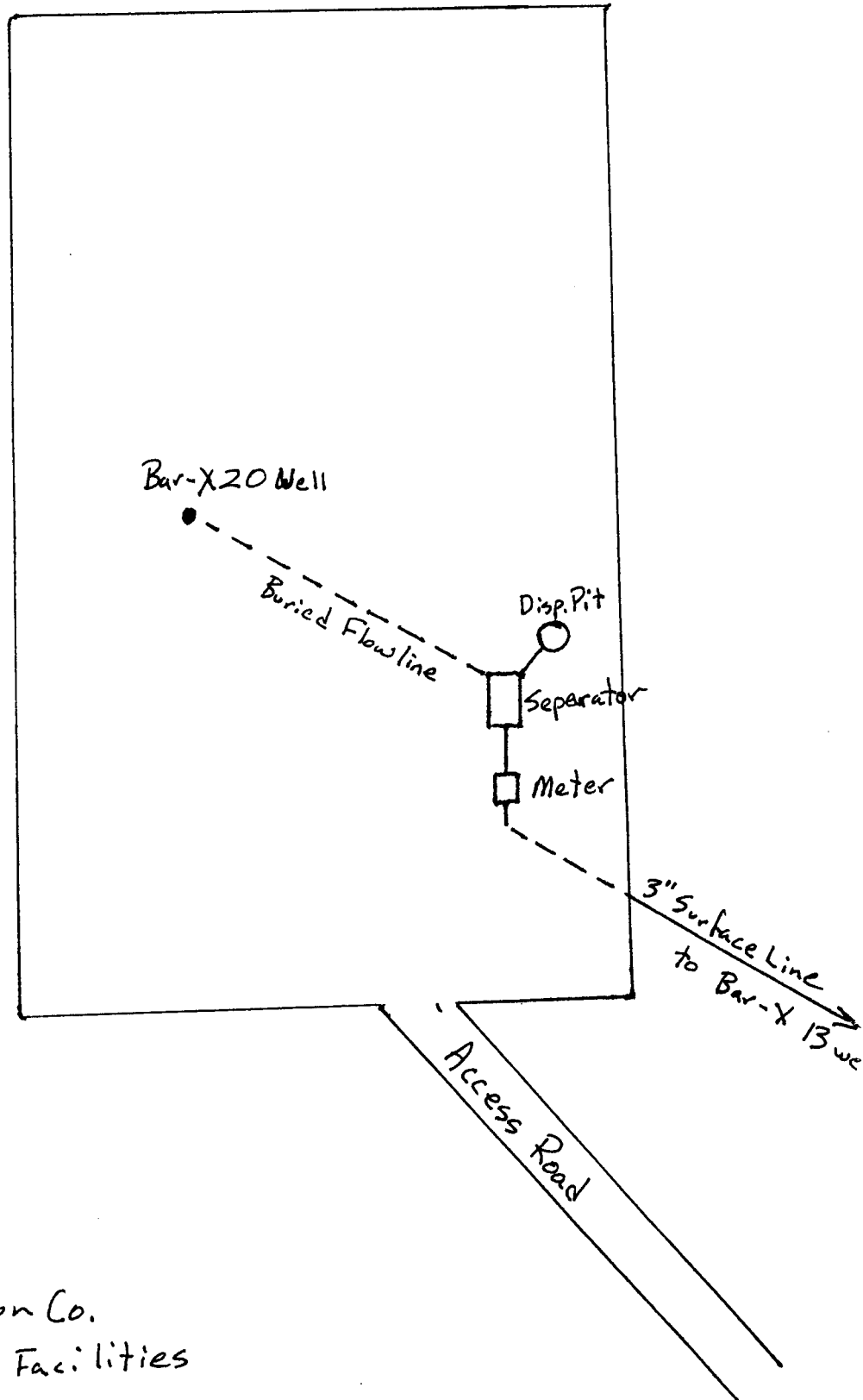
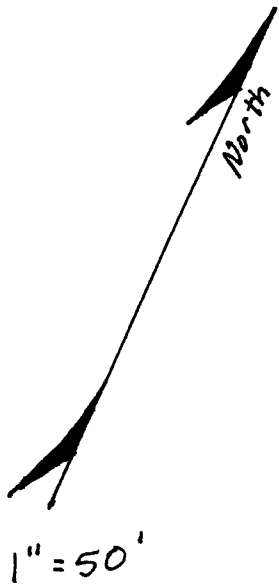


MOVED			ENERGY SURVEYS & ENGINEERING CORP.
SURVEYED	4/93	5/93	
DRAWN	4/93	5/93	
CHECKED	4/93	5/93	

PLAT # 4
RIG LAYOUT



BAR-X UNIT # 20
LONE MTN. PRODUCTION CO.



Lone Mountain Production Co.
Bar-X 20 Production Facilities

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

DATE RECEIVED: 06/30/93

OPERATOR: LONE MOUNTAIN PROD CO
WELL NAME: FEDERAL 20

OPERATOR ACCT NO: N- 7010

API NO. ASSIGNED: 3-019-31337

LEASE TYPE: FED LEASE NO: SL-064806
LOCATION: SENE 12 - T17S - R25E GRAND COUNTY
FIELD: BAR-X (160) FIELD CODE: 160

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond
☒ (Number federal)
☒ Potash (Y/N) (N)
☒ Oil shale (Y/N) (N)
☒ Water permit
☒ (Number no permit #)
☒ RDCC Review (Y/N) (N)
☒ (Date: _____)

LOCATION AND SITING:

☒ R649-2-3. Unit: Bar - X
☐ R649-3-2. General.
☐ R649-3-3. Exception.
☐ Drilling Unit.
☐ Board Cause no: _____
☐ Date: _____

COMMENTS:

Included in POD for 93 approved 5-19-93

STIPULATIONS:

Grand assessor



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

July 12, 1993

Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103

Gentlemen:

Re: Federal #20 Well, 1986' FNL, 813' FEL, SE NE, Sec. 12, T. 17 S., R. 25 E., Grand County, Utah

Pursuant to Utah Code Ann. § 40-6-18, (1953, as amended), Utah Admin. R. 649-2-3, Application of Rules to Unit Agreements and R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
2. Notification within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.



Page 2
Lone Mountain Production Company
Federal #20 Well
July 12, 1993

6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

Trash and sanitary waste should be properly contained and transported to approved disposal locations, not retained in or disposed of in pits on location or downhole. Prior to the commencement of drilling operations, the operator should consult the local/county sanitarian and/or the Department of Environmental Quality, Division of Drinking Water/Sanitation, regarding appropriate disposal of sanitary waste.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-019-31337.

Sincerely,



for R.J. Firth
Associate Director, Oil and Gas

ldc
Enclosures
cc: Bureau of Land Management
Grand County Assessor
J.L. Thompson
WO11

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Lone Mountain Production Company

3. ADDRESS OF OPERATOR

P.O. Box 3394, Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At 1500 ft
1986 ft FNL, 813 ft FEL

At proposed prod. zone
Same

43-019-31337

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

17 miles Northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

Lse line: 3206'

16. NO. OF ACRES IN LEASE

1280 Acres

17. NO. OF ACRES ASSIGNED

TO THIS WELL N/A

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

2356'

19. PROPOSED DEPTH

3500' (Morrison)

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DE, BT, GR, etc.)

5319' GR, 5330' KB

22. APPROX. DATE WORK WILL START*

July 13, 1993

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

RECEIVED

JUL 21 1993

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

[Signature]

TITLE

Petroleum Engineer

DATE

June 7, 1993

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

/S/ WILLIAM C. STRINGER

APPROVED BY

TITLE

Associate District Manager

DATE

11/16/1993

CONDITIONS OF APPROVAL, IF ANY:

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A

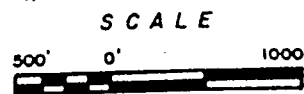
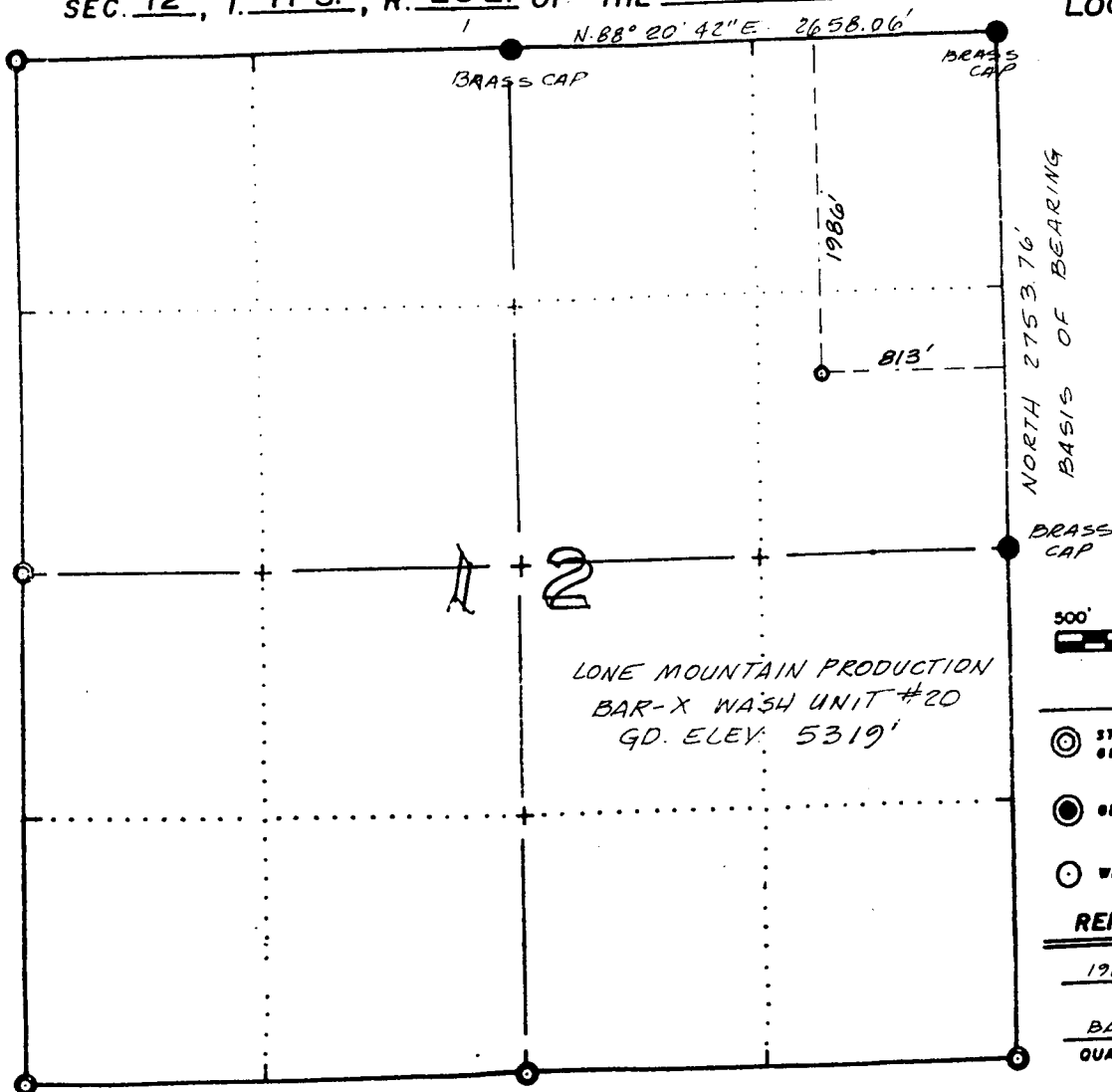
CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

SEC. 12, T. 17 S., R. 25 E. OF THE S.L.M.

PLAT # 1
LOCATION PLAT



- LEGEND -

- ⊙ STANDARD LOCATION OF GLO SECTION CORNERS.
- GLO CORNERS FOUND.
- WELL LOCATION STAKED.

REFERENCE DOCUMENTS

1925 GLO PLAT

BAR-X WASH, UTAH
QUADRANGLE, U.S.G.S.

THIS WELL LOCATION PLAT WAS PREPARED FOR: LONE MOUNTAIN PRODUCTION CO.
TO LOCATE THE BAR-X WASH UNIT # 20, 1714' F.N. L. &
940' F.E. L. IN THE SE 1/4 NE 1/4, OF SECTION 12, T. 17 S., R. 25 E.
OF THE S.L.M. GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

I, Larry D. Becker: a Registered Land Surveyor in
The State Of UTAH Do Hereby Certify That This
Survey Was Made Under My Direct Supervision, and
That This Plat Represents Said Survey.

Larry D. Becker

SURVEYED	4/93	5/93
DRAWN	4/93	5/93
CHECKED	4/93	5/93

ENERGY
SURVEYS
CORPORATION

381 PIKES PEAK DRIVE
GRAND JUNCTION, CO 81503
(303) 243-7821

SCALE: 1" = 1000'

JOB NO.

SHEET OF

Lone Mountain Production Company
Federal No. 20
Lease SL-064806
SENE Section 12, T17S, R25E
Grand County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Lone Mountain Production Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT 0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. Although the BOP is rated to 3000 psi, the system only needs to be tested to the standards of a 2000 psi system.
2. A mist system shall be used to minimize fugitive cuttings dust coming from the blowline.
3. All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM.
4. Due to potential for contamination of usable quality water, chromates shall not be on location.
5. Sufficient drilling mud materials will be on location to control lost circulation and combat well control problems that might reasonably be expected.
6. Centralizers shall be placed, at a minimum, on the bottom three joints of each casing string.
7. Cement behind the production casing must come up into the Mancos Shale. The cement design as proposed appears adequate to accomplish this.
8. If a gas meter run is constructed, it will be situated on location, within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated in accordance with Onshore Oil and Gas Order No. 5 thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

B. SURFACE USE PLAN

1. Archaeological site 42GR2571 that was identified at the original staked location will be avoided during all phases of construction, drilling, production, and abandonment of the well.
2. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer. Within five working days the authorized officer will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - a timeframe for the authorized officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the authorized officer are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the authorized officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The authorized officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the authorized officer that the required mitigation has been completed, the operator will then be allowed to resume construction.

3. In order to protect deer winter range, no drilling will be allowed from December 1 through April 15. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the authorized officer.

4. No construction or drilling operations will be authorized between February 1 and July 15, unless additional raptor surveys are completed prior to conducting operations to identify and avoid raptor nesting sites within 1/2 mile of the proposed action. Any peregrine falcon nesting areas identified within the project area will be avoided by 1 mile. These limitations does not apply to maintenance and operation of existing wells.
5. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
6. The access route for the well will follow an existing two track trail that is parallel to a fence. The edge of the new road construction will stay 5 feet away from the fence.

The new road will be constructed with a surface disturbance of 30 feet wide or less to provide a maximum travel surface of 18 feet wide. Drainage control (waterbars, ditches, crowning) will be provided and maintained to prevent erosion of the travel surface.

7. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling the drilling rig. If upgraded, the road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.
8. The reserve pit will be located in cut material, with at least 50% of the pit volume below original ground level.
9. To minimize the amount of fugitive dust and spray escaping from the blooie pit, the blooie line will be directed into a sloped bank.
10. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
11. At the end of drilling operations and prior to reclamation of the reserve pit, the fourth side of the pit will be fenced and the top of the pit will be covered with netting of one inch or less to prevent access by birds.
12. Prior to the installation of a pipeline, a Sundry Notice and map of the pipeline route will be submitted to determine if additional cultural resource inventories would be needed.
13. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Office. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the District Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with a water analysis, if required, will be submitted to the District Office for approval pursuant to NTL-2R.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office, within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Jack Johnson, Rich McClure or Lynn Jackson of the Grand Resource Area in Moab, Utah, at (801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching surface casing depth;

3 hours prior to testing BOPE

If the person at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, notify the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (801) 259-6111
	Home: (801) 259-2214

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: LONE MOUNTAIN PROD. CO. 43-019-31337

WELL NAME: BAR X FEDERAL 20

Section 12 Township 17S Range 25E County GRAND

Drilling Contractor VECO

Rig # 2

SPUDDED: Date 8/24/93

Time 4:00 AM

How ROTARY

Drilling will commence

Reported by JIM ROUTSON

Telephone # 1-406-245-5077

Date 8/24/93 SIGNED DTS

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A B	99999	00455	43-019-31337	BAR X UNIT NO. 20	SENE	12	17S	25E	GRAND	8-24-93	8-24-93
WELL 1 COMMENTS: Entity added 8-27-93. (Bar X unit/DK-MRB P.A. 7) Lee											
1) 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

James R. Rant
Signature
President
Title
8-24-93
Date
Phone No. (406) 245-5077

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

August 24, 1993

AUG 26 1993

DIVISION OF
OIL, GAS & MINING

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RE: BAR-X UNIT NO. 20
SE $\frac{1}{4}$ NE $\frac{1}{4}$ SEC. 12-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE & ENTITY ACTION FORM


Dear Ron:

Enclosed in duplicate are the referenced notices for our Bar-X Unit No. 20 well which was spud at 4:00 A.M., August 24, 1993. I gave verbal notice of spud to Don Staley at 9:15 A.M. today.

If any further information is needed please give me or Joe Dyk a call.

Very truly yours,

Lone Mountain Production Company


James G. Routson
President

Enclosures

xc: Joe Dyk

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1986' FSL, 813' FEL Sec 12: T17S-R25E
(SE $\frac{1}{4}$ NE $\frac{1}{4}$)

5. Lease Designation and Serial No.

SL-064806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar X Unit

8. Well Name and No.

No. 20

9. API Well No.

43-019-31337

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Spud
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Referenced well was spud 4:00 a.m., Tuesday, August 24, 1993.
Prior notice of spud was given verbally to Jack Johnson at
5:00 p.m., Sunday, August 22, 1993 by Joe Dyk of Lone Mountain.

14. I hereby certify that the foregoing is true and correct

Signed James R. Rantam Title President Date 8-24-93

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

August 30, 1993

RECEIVED

SEP 01 1993

**DIVISION OF
OIL, GAS & MINING**

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RE: BAR-X UNIT NO. 20
SE~~1~~NE~~1~~ SEC. 12-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE & REPORT OF WATER ENCOUNTERED

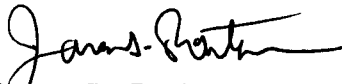
Dear Ron:

Enclosed in duplicate are the referenced notices for our Bar-X Unit No. 20 well.

If any further information is needed please give me or Joe Dyk a call.

Very truly yours,

Lone Mountain Production Company


James G. Routson
President

Enclosures

xc: Joe Dyk

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

SEP 01 1993

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1986' FSL, 813' FEL Sec 12: T17S-R25E
(SE $\frac{1}{4}$ NE $\frac{1}{4}$)

5. Lease Designation and Serial No.

SL-064806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar X Unit

8. Well Name and No.

No. 20

9. API Well No.

43-019-31337

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Status Report
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Drilled 8 3/4" hole to 325'. Ran 7" casing to 315'. Cemented to surface with 175 sacks of Class "G".

Drilled 6 1/4" hole to TD 3500'. Ran Logs. Log Tops: Dakota Silt-2908' (+2422), Dakota Sand-2994' (+2336), Morrison-3102' (+2228).

Ran 4 1/2" casing to 3495'. Cemented with 175 sacks of 10-0 Thixotropic.

Rig released 10:00 pm, 8-28-93.

14. I hereby certify that the foregoing is true and correct

Signed James R. Rasmussen Title President Date 8-30-93

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7 (1/89)

1. Well name and number: Bar-X Unit No. 20
API number: 43-019-31337
2. Well location: QQ SE NE section 12 township 17S range 25E county Grand
3. Well operator: Lone Mountain Production Company
Address: P.O. Box 3394 phone: (406)245-5077
Billings, MT 59103
4. Drilling contractor: Veco Drilling Company, Inc. Rig No. 2
Address: P.O. Box 1705 phone: (303)242-6912
Grand Junction, CO 81502

5. Water encountered (continue on reverse side if necessary)

Depth		Volume (flow rate or head)	Quality (fresh or salty)
from	to		
0	3500	none encountered	

6. Formation tops:	<u>Dakota silt</u>	<u>2908</u>	<u>+2422</u>
	<u>Dakota sand</u>	<u>2994</u>	<u>+2336</u>
	<u>Morrison</u>	<u>3102</u>	<u>+2228</u>

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I certify that this report is true and complete to the best of my knowledge.

Name James G. Routson
Title President

Signature James G. Routson
Date 8-30-93

Comments:

SEP 1 1993

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

September 1, 1993

RECEIVED

SEP 03 1993

**DIVISION OF
OIL, GAS & MINING**

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RE: BAR-X UNIT NO. 20
SE~~1~~NE~~1~~ SEC. 12-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE & REPORT OF WATER ENCOUNTERED


Dear Ron:

Enclosed in duplicate are corrected notices for our Bar-X Unit No. 20 well. The notices sent August 30 had an incorrect Dakota top. Please discard the previous notices.

If any further information is needed please give me or Joe Dyk a call.

Very truly yours,

Lone Mountain Production Company


James G. Routson
President

Enclosures

xc: Joe Dyk

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED
SEP 03 1993

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

DIVISION OF

OIL, GAS & MINING

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1986' FSL, 813' FEL Sec 12: T17S-R25E
(SE $\frac{1}{4}$ NE $\frac{1}{4}$)

5. Lease Designation and Serial No.

SL-064806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar X Unit

8. Well Name and No.

No. 20

9. API Well No.

43-019-31337

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Status Report

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Drilled 8 3/4" hole to 325'. Ran 7" casing to 315'. Cemented to surface with 175 sacks of Class "G".

Drilled 6 1/4" hole to TD 3500'. Ran Logs. Log Tops: Dakota Silt-2908' (+2422), Dakota Sand-2984' (+2446), Morrison-3102' (+2228).

Ran 4 1/2" casing to 3495'. Cemented with 175 sacks of 10-0 Thixotropic.

Rig released 10:00 pm, 8-28-93.

14. I hereby certify that the foregoing is true and correct

Signed John S. Ratten

Title President

Date 8-30-93

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

RECEIVED

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7 (1/89)

SEP 03 1993

DIVISION OF
OIL, GAS & MINING

1. Well name and number: Bar-X Unit No. 20
API number: 43-019-31337
2. Well location: QQ SE NE section 12 township 17S range 25E county Grand
3. Well operator: Lone Mountain Production Company
Address: P.O. Box 3394 phone: (406)245-5077
Billings, MT 59103
4. Drilling contractor: Veco Drilling Company, Inc. Rig No. 2
Address: P.O. Box 1705 phone: (303)242-6912
Grand Junction, CO 81502

5. Water encountered (continue on reverse side if necessary)

Depth		Volume (flow rate or head)	Quality (fresh or salty)
from	to		
0	3500	none encountered	

6. Formation tops: Dakota silt 2908 +2422
Dakota sand 2984 +2446
Morrison 3102 +2228

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I certify that this report is true and complete to the best of my knowledge.

Name James G. Routson Signature James G. Routson
Title President Date 8-30-93

Comments:

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

RECEIVED

SEP 07 1993

**DIVISION OF
OIL, GAS & MINING**

September 1, 1993

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RE: BAR-X UNIT NO. 20
SE~~1~~NE~~1~~ SEC. 12-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE

Dear Ron:

Enclosed in duplicate is a sundry notice outlining the completion procedure for our Bar-X Unit No. 20 well.

If any further information is needed please give me or Joe Dyk a call.

Very truly yours,

Lone Mountain Production Company



James G. Routson
President

Enclosures

xc: Joe Dyk

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED
SEP 07 1993

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

DIVISION OF

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

OIL, GAS & MINING

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1986' FSL, 813' FEL Sec 12: T17S-R25E
(SE $\frac{1}{4}$ NE $\frac{1}{4}$)

5. Lease Designation and Serial No.

SL-064806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar X Unit

8. Well Name and No.

No. 20

9. API Well No.

43-019-31337

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Completion

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Lone Mountain Production Company intends to complete the Bar X Unit No. 20 well as per the attached completion procedure.

We hope to start about September 20, 1993 depending upon rig availability.

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 9-8-93

BY: [Signature]

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title

President

Date

8-30-93

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

BAR-X UNIT NO. 20

COMPLETION PROCEDURE

4½", 10.5#, J-55 casing
@ 3495', float @ 3447'
cemented with 175 sx.

- 1: Rig up mast truck and wireline truck. Run GR-CBL-VDL logs PBTD to cement top. Rig down wireline truck.
- 2: MIRU service rig. Nipple up tubing head, frac spool, & BOP's. Run 2 3/8" tbg, 4½" casing scraper, 3 3/4" bit to PBTD. Circulate well clean. Pressure test casing, tbg head & BOP's to 4000 psi. Drop standing valve, test tubing to 7000 psi. Swab well dry, COH with tubing.
- 3: Rig up wireline truck, perforate the Dakota and Morrison with one .31" diameter hole at each of the following depths: 3056, 3061, 3074, 3080, 3087, 3213, 3224; 7 holes total. Rig down wireline truck.
- 4: TIH with 4½" tension packer. Set @ ± 3040'. Acidize all perforations with 500 gallons 15% MSR and 21 ball sealers. Displace with 15 bbls 4% KCl water.
- 5: Swab back load,. Lower packer to ± 3400' to knock balls off perforations. Swab well dry, COH with packer.
- 6: Run tbg with SN on bottom to ± 2800'. Land with Blast jt. and N-80 pup jt. in top of string. Rig up Dowell, triple entry foam frac the Dakota and Morrison with 20,000# 100 mesh sand, 80,000# 20-40 sand in 80,000 gallons foam. Frac @ 21-24 BPM total rate.
- 7: Open well to flow back after frac. Displace annulus with nitrogen. Flow to cleanup overnight.
- 8: Test well. Lay down blast jt. and N-80 pup jt. Reverse out sand fill to PBTD with well gas. Flange up with SN @ ± 3230. Rig down service rig. Flow well to clean up and test.

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

September 24, 1993

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RECEIVED
SEP 27 1993

DIVISION OF
OIL, GAS & MINING

RE: BAR-X UNIT NO. 20
SE~~1~~NE~~1~~ SEC. 12-T17S-R25E
GRAND COUNTY, UTAH
WELL COMPLETION REPORT

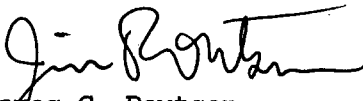
Dear Ron:

Enclosed in duplicate is a Well Completion Report for the Bar-X Unit No. 20 well.

If any further information is needed please give me or Joe Dyk a call.

Very truly yours,

Lone Mountain Production Company


James G. Routson
President

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

SL-064806

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Bar-X Unit

8. FARM OR LEASE NAME

Federal

9. WELL NO.

No. 20

10. FIELD AND POOL, OR WILDCAT

Bar-X

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SENE Sec. 12-T17S-R25E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other ☐

b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RENVR. ☐ Other ☐

2. NAME OF OPERATOR

Lone Mountain Production Company

3. ADDRESS OF OPERATOR

P.O. Box 3394, 100 N. 27th St., Suite 450, Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1986' FSL, 813' FEL, Sec. 12

At top prod. interval reported below same

At total depth same

14. PERMIT NO. DATE ISSUED

43-019-31337 7-12-93

15. DATE SPUDDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 19. ELEV. CASINGHEAD

8-24-93 8-27-93 9-23-93 5319 GL, 5330 KB 5322

20. TOTAL DEPTH, MD & TVD 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS

3500' 3441' 23. INTERVALS DRILLED BY → 0-TD

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

Dakota 3050'-3092'
Morrison 3210'-3226'

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN GR-FDC-CNL, SP-OIL, GR-CBL-VDL 27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	23# L.S.	315	8-3/4"	175 sx (to surface)	None
4 1/2"	10.5# J-55	3495	6 1/4"	175 sx (top at 1508')	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-3/8"	3255	None

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

1-.31" dia. Hole at each of the following depths: 3056, 3061, 3074, 3080, 3087, 3212, 3224 = 7 holes total

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3056-3224	500 gallon 15% HCl Foam Frac with 20,000 #100 mesh sand, 44,000 #20-40 sand, 900,000 SCF Nitrogen, 420 bbls. 5% HCl

33. PRODUCTION

DATE FIRST PRODUCTION 9-20-93 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) shut-in

DATE OF TEST 9-24-93 HOURS TESTED 1 CHOKE SIZE 1/2" PROD'N. FOR TEST PERIOD → OIL—BBL. 0 GAS—MCF. 33 WATER—BBL. 0 GAS-OIL RATIO

FLOW. TUBING PRESS. 128 psi CASING PRESSURE 175 psi CALCULATED 24-HOUR RATE → OIL—BBL. 0 GAS—MCF. 788 WATER—BBL. 0 OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY

Vented

Joe Dyk

35. LIST OF ATTACHMENTS

None

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED James G. Routson

TITLE Petroleum Engineer

DATE 9-24-93

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Dakota	3050	3092	Gas
Morrison	3210	3226	Tight gas

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Dakota silt	2908	+2422
Dakota sand	2984	+2446
Morrison	3102	+2228

43-019-31337

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RECEIVED

OCT 18 1993

**DIVISION OF
OIL, GAS & MINING**

October 15, 1993

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RE: SUNDRY NOTICE OF FIRST PRODUCTION

Dear Ron:

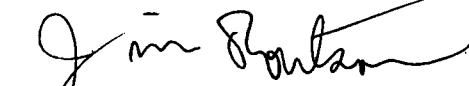
Enclosed in duplicate are Sundry Notices of first production for the following wells in Grand County, Utah:

Federal No. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC 9-T17S-R25E
Lease U-04955

Bar-X Unit No. 20
SE $\frac{1}{4}$ NE $\frac{1}{4}$ SEC 12-T17S-R25E
Lease SL-064806

Very truly yours,

Lone Mountain Production Company



James G. Routson
President

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
SL-064806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar X Unit

8. Well Name and No.
No. 20

9. API Well No.
43-019-31337

10. Field and Pool, or Exploratory Area
Bar X

11. County or Parish, State
Grand County, UT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1986' FSL, 813' FEL Sec 12: T17S-R25E
(SE $\frac{1}{4}$ NE $\frac{1}{4}$)**

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☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The Bar-X Unit No. 20 well delivered into the Bar-X pipeline at 2:00 pm, October 14, 1993.

RECEIVED

OCT 18 1993

DIVISION OF
OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Signed *Jon S. Rantson*

Title **President**

Date **8-30-93**

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side